STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
COUNTY OF OCONEE	í	Civil Action No. 2014-CP-37-539
Oconee County, Kevin Robinson, Oconee County Delinquent Tax Collector,)))	
Plainti	ffs,)	
vs.)	SETTLEMENT AGREEMENT & RELEASE
Hangar III, LLC, 25 EP Corp., BDS, Jerry Edwards and Steve Edwards,))	<u></u>
Defendar) nts.))	

This SETTLEMENT, RELEASE, and HOLD HARMLESS AGREEMENT ("Agreement") is made and entered into this _____ day of May 2015, by and between Plaintiffs Oconee County, Kevin Robinson, Oconee County Delinquent Tax Collector (hereinafter "Plaintiffs") and Defendants Hangar III, LLC, 25 EP Corp., BDS, Jerry Edwards, and Steve Edwards (hereinafter collectively "Defendants").

WHEREAS, Plaintiffs filed a lawsuit against Defendants, styled Oconee County, Kevin Robinson, Oconee County Delinquent Tax Collector v. Hangar III, LLC, 25 EP Corp., BDS, Jerry Edwards, and Steve Edwards, C.A. No. 2014-CP-37-39 ("Lawsuit");

WHEREAS, Plaintiffs asserted various causes of action seeking damages and other monetary and equitable relief against Defendants in the Lawsuit; and

WHEREAS, Plaintiffs and the Defendants have mutually agreed to resolve all claims which Plaintiffs asserted or could have asserted against Defendants in the Lawsuit and, thus, settle the Lawsuit between them.

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WHEREAS, Plaintiffs asserted various causes of action seeking damages and other monetary and equitable relief against Defendants in the Lawsuit; and

WHEREAS, Plaintiffs and the Defendants have mutually agreed to resolve all claims which Plaintiffs asserted or could have asserted against Defendants in the Lawsuit and, thus, settle the Lawsuit between them.

WHEREAS, Defendants have denied, and continue to deny, any and all liability to the Plaintiffs; and

WHEREAS, Plaintiffs and Defendants have agreed to settle this matter in the interest of avoiding the time, cost, and expense associated with further litigation;

NOW, THEREFORE, for and in consideration of the mutual promises hereinafter expressed, it is hereby agreed by and between Plaintiffs and the Defendants as follows:

1. Settlement Consideration:

This Agreement is supported by the consideration expressed in the terms, conditions, and mutual promises stated herein. Both Parties acknowledge and stipulate that the consideration stated herein constitutes good and valuable consideration sufficient to support the enforceability of this Agreement.

2. Prospective Taxation of Airplanes:

Following the final execution of this Agreement and going-forward, 25 EP Corp., Jerry Edwards, and Steve Edwards agree that all planes owned by them or any company in which we own a controlling share (i.e., affording us the ability to bind the company) and housed at the Oconee County Airport shall be subject to Oconee County personal property taxes paid to Oconee County. In this regard, the instant Agreement shall solely have prospective effect. In exchange, and consistent with the mutual release language contained herein, Plaintiffs agree that all taxes assessed on aircraft owned by 25 EP Corp., LLC and reflected as due, past due or outstanding, as forming part of any of the claims of the above-captioned lawsuit, shall be altogether removed from Oconee County's tax records or marked as satisfied, whichever proves most practicable.

3. Dismissal with Prejudice and Covenant Not to Sue:

Plaintiffs agree that contemporaneous with the execution of this Agreement, a Consent Order or Stipulation of Dismissal with prejudice shall be executed and filed with the Court. Plaintiffs further agree that they will not institute any legal proceedings against Defendants as to any matter alleged or which could have been alleged by Plaintiffs in this lawsuit relating to or arising from the actions and/or transactions alleged in the Complaint.

4. Attorney's Fees:

Within thirty days of the final execution of this Agreement, the County shall reimburse to Defendants the attorney's fees Defendants expended in defending the Lawsuit in the amount of thirty-five thousand dollars and no cents (\$35,000.00).

5. Mutual Release:

The parties acknowledge that Mutual Release of claims stated in this Paragraph constitutes an integral part of this Agreement.

a. Plaintiffs' Release of Defendants:

Except as set forth in this Agreement, Oconee County, on behalf of itself and its heirs, successors, and assigns, and any person claiming by or through it, intends to and does hereby forever release, remise, acquit, and discharge Hangar III, LLC, 25EP Corp., BDS, Steve Edwards, and Jerry Edwards their owners, partners, stockholders, parent or subsidiary entities (both direct and indirect), subsidiaries of such parent entities (both direct and indirect), heirs, agents, employees, servants, representatives, insurers, attorneys, successors and assigns, of and from any and all claims, demands, causes of action, and suits, for actual, general, special, punitive, and statutory damages, costs, attorneys' fees, reputational damages, allegedly past due

taxes on personal property or aircraft, or any other loss or injury whatsoever, asserted or unasserted and known or unknown, whether foreseen or unforeseen, in law or equity, whether in tort or in contract or by statute, of any kind or character from the beginning of time to the present, which Oconee County has or could have asserted against Defendants in the Above-Captioned Case, and all other past, present, and future claims asserted or that could be asserted by Plaintiffs against Defendants in connection with, or that are in any way related to, any of the facts, acts, events, representations, omissions, and/or transactions alleged in the Above-Captioned Case (whether raised in the same or otherwise) or arising from or related to Defendants' actions as alleged in the Complaint.

b. Defendants' Release of Plaintiffs:

Except as set forth in this Agreement, Hangar III, LLC, 25 EP Corp., BDS, Jerry Edwards, and Steve Edwards on behalf of themselves and their heirs, successors, and assigns and any other person claiming by or through them, intend to and do forever release, remise, acquit, discharge Oconee County, and Kevin Robinson as Oconee County Delinquent Tax Collector, and their successors, agents, employees, servants, members, managers, the County Administrator, officers, representatives, insurers, attorneys and assigns (hereinafter collectively referred to as "Oconee County"), of and from any and all claims, demands, causes of action, and suits, for actual, general, special, punitive, and statutory damages, costs, attorneys' fees, reputational damages, or any other loss or injury whatsoever, asserted or unasserted and known or unknown, whether foreseen or unforeseen, in law or equity, whether in tort or by statute, of any kind or character from the beginning of time to the present, which Defendants have or could have asserted against Oconee County in the Above-Captioned Case, and all other past, present, and future claims asserted or that could be asserted by Defendants against Oconee County in connection with, or

that are in any way related to, any of the facts, acts, events, representations, omissions, and/or transactions alleged in the Above-Captioned Case (whether raised in the same or otherwise) or arising from or related to Defendants' actions as alleged in the Complaint.

c. Express Exceptions to the Release's Scope:

Notwithstanding any other provision contained herein and subject to subpart (iii) of this subparagraph, nothing in this Agreement shall be determined to release from personal liability:

- i. Any Oconee County Council member who voted in favor of initiating the instant Lawsuit, as reflected by the public record; and
 - ii. The Oconee County Auditor;
- iii. But only to the extent such individuals exceeded the scope of their official capacities by prompting, furthering, or perpetuating the Lawsuit for purposes not in furtherance of the public interest of Oconee County."

Notwithstanding any other provision contained herein, nothing in this Agreement shall be deemed to release Plaintiffs' responsibilities and obligations as stated in that certain Hanger Agreement, executed by the Parties on or about June of 2001 and attached hereto as Exhibit A. Defendants' rights, as set forth in the Hanger Agreement, are expressly excepted from this Agreement and remain in full force and effect. All rights Defendants may possess in relation to the Hanger Agreement, whether sounding in contract or in equity, shall remain un-impacted by this Agreement.

6. Revision of the Hanger Agreement:

Plaintiffs and Defendants acknowledge, agree, and stipulate the Hanger Agreement should be revised, updated, and clarified as soon as practicable after the final execution of this Agreement. In connection with the ultimate revision of the Hanger Agreement, the Parties agree

and acknowledge the Hanger Agreement shall be extended beyond its original expiration date for a period of ten (10) years. Such amendment of the Hanger Agreement (i.e., the extension of its term by ten (10) years) is effective immediately upon the final execution of this Settlement and Release Agreement and is not subject to any later revisions or amendments the Parties may agree upon. The instant amendment to the Hanger Agreement shall be incorporated into the revised version of the Hanger Agreement which shall follow this Agreement. However, upon execution of this Agreement, the Hanger Agreement shall be deemed as having been hereby amended in this regard.

7. Non-Disparagement:

The Parties to this Settlement Agreement & Release agree not to disparage or defame the other (together with its past or present affiliates, insurers and assigns) or make any derogatory remarks, whether written or oral, regarding the other Party as relating to the subject matter of this litigation.

8. No Admission of Liability:

It is understood and agreed that this Agreement is in full compromise of doubtful and disputed claims. Neither the Agreement, nor the consideration stated herein, shall be construed as an admission of liability, such being denied, by Defendants.

8. Additional Provisions:

a. Effective upon Plaintiffs' Signature:

This Agreement shall be deemed effective upon the date that Plaintiffs or a representative of Plaintiffs signs the agreement. The Parties hereby declare that they have read this agreement in its entirety, that they fully understand all of the provisions, terms, covenants, and conditions set forth herein, that they freely and voluntarily accept the same for the purpose of making a full and

final settlement of all of the matters hereinabove set forth that they (or their attorney) participated in the drafting of this agreement, and accordingly, the rule of construction to the effect that any ambiguities are to be resolved against the drafting party or parties shall not be employed in the interpretation of this Agreement.

b. Severability:

Each provision of this Agreement is intended to be severable. If any term or provision is held to be invalid, void, or unenforceable by a court of competent jurisdiction for any reason whatsoever, such ruling shall not affect the validity of the remainder of this agreement.

c. Complete and Final Agreement between Plaintiffs and Defendants:

This Agreement contains all of the agreements, conditions, promises, and covenants between Plaintiffs and the Defendants with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements, representations, or understandings with respect to the subject matter hereof. This Agreement may not be orally amended, modified, superseded or canceled it being specifically understood that any of the terms, covenants, representations, and conditions hereof may be amended only by written instrument executed by Plaintiffs and Defendants.

d. Contract Is Valid, Binding, and Governed by South Carolina Law:

Plaintiffs and Defendants further agree that the terms of this Agreement are contractual in nature and are not a mere recital, and that the validity, affect, and enforcement of this Agreement shall be interpreted in accordance with the laws of the State of South Carolina. This Agreement shall be binding upon and inure to the benefit and detriment of all Parties and their successors.

e. Enforcement:

Should any party to this Agreement reasonably retain counsel for the purpose of enforcing any provision of this Agreement, or for pursuing damages or injunctive relief for any claim

arising out of this Agreement, the prevailing party shall be entitled to its reasonable costs and attorneys' fees, including reasonable costs and attorneys' fees incurred in enforcing any judgment or order.

f. Execution in Counterparts:

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together constitute one and the same instrument and Agreement. Signatures transmitted electronically shall for all purposes be deemed originals and shall bind the parties delivering such signatures.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed intending to be bound thereby.

[SIGNATURES ON FOLLOWING PAGE]

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WHEREAS, Plaintiffs filed a lawsuit against Defendants, styled Oconee County, Kevin Robinson, Oconee County Delinquent Tax Collector v. Hangar III, LLC, 25 EP Corp., BDS, Jerry Edwards, and Steve Edwards, C.A. No. 2014-CP-37-39 ("Lawsuit");

WHEREAS, Plaintiffs asserted various causes of action seeking damages and other monetary and equitable relief against Defendants in the Lawsuit; and

WHEREAS, Plaintiffs and the Defendants have mutually agreed to resolve all claims which Plaintiffs asserted or could have asserted against Defendants in the Lawsuit and, thus, settle the Lawsuit between them.

WHEREAS. Defendants have denied, and continue to deny, any and all liability to the Plaintiffs; and

WHEREAS, Plaintiffs and Defendants have agreed to settle this matter in the interest of avoiding the time, cost, and expense associated with further litigation;

NOW, THEREFORE, for and in consideration of the mutual promises hereinafter expressed, it is hereby agreed by and between Plaintiffs and the Defendants as follows:

1. Settlement Consideration:

This Agreement is supported by the consideration expressed in the terms, conditions, and mutual promises stated herein. Both Parties acknowledge and stipulate that the consideration stated herein constitutes good and valuable consideration sufficient to support the enforceability of this Agreement.

2. Prospective Taxation of Airplanes:

Following the final execution of this Agreement and going-forward, 25 EP Corp., Jerry Edwards, and Steve Edwards agree that all planes owned by them or any company in which we own a controlling share (i.e., affording us the ability to bind the company) and housed at the Oconee County Airport shall be subject to Oconee County personal property taxes paid to Oconee County. In this regard, the instant Agreement shall solely have prospective effect. In exchange, and consistent with the mutual release language contained herein, Piaintiffs agree that all taxes ussessed on aircraft owned by 25 EP Corp., LLC and reflected as due, past due or outstanding, as forming part of any of the claims of the above-captioned lawsuit, shall be altogether removed from Oconee County's tax records or marked as satisfied, whichever proves most practicable:

3. Dismissal with Prejudice and Covenant Not to Sue:

Plaintiffs agree that contemporaneous with the execution of this Agreement, a Consent Order or Stipulation of Dismissal with prejudice shall be executed and filed with the Court. Plaintiffs further agree that they will not institute any legal proceedings against Defendants as to any matter alleged or which could have been alleged by Plaintiffs in this lawsuit relating to or arising from the actions and/or transactions alleged in the Complaint.

4. Attorney's Fees:

Within thirty days of the final execution of this Agreement, the County shall reimburse to Defendants the attorney's fees Defendants expended in defending the Lawsuit in the amount of thirty-five thousand dollars and no cents (\$35,000.00).

5. Mutual Release:

The parties acknowledge that Mutual Release of claims stated in this Paragraph constitutes an integral part of this Agreement.

a. Plaintiffs' Release of Defendants:

Except as set forth in this Agreement, Oconee County, on behalf of itself and its heirs, successors, and assigns, and any person claiming by or through it, intends to and does hereby forever release, remise, acquit, and discharge Hangar III, LLC, 25EP Corp., BDS, Steve Edwards, and Jerry Edwards their owners, partners, stockholders, parent or subsidiary entities (both direct and indirect), subsidiaries of such parent entities (both direct and indirect), heirs, agents, employees, servants, representatives, insurers, attorneys, successors and assigns, of and from any and all claims, demands, causes of action, and suits, for actual, general, special, punitive, and statutory damages, costs, attorneys' fees, reputational damages, allegedly past due

taxes on personal property or aircraft, or any other loss or injury whatsoever, asserted or unasserted and known or unknown, whether foreseen or unforeseen, in law or equity, whether in tort or in contract or by statute, of any kind or character from the beginning of time to the present, which Oconee County has or could have asserted against Defendants in the Above-Captioned Case, and all other past, present, and future claims asserted or that could be asserted by Plaintiffs against Defendants in connection with, or that are in any way related to, any of the facts, acts, events, representations, omissions, and/or transactions alleged in the Above-Captioned Case (whether raised in the same or otherwise) or arising from or related to Defendants' actions as alleged in the Complaint.

b. Defendants' Release of Plaintiffs:

Except as set forth in this Agreement, Hangar III, LLC, 25 EP Corp., BDS, Jerry Edwards, and Steve Edwards on behalf of themselves and their heirs, successors, and assigns and any other person claiming by or through them, intend to and do forever release, remise, acquit, discharge Oconee County, and Kevin Robinson as Oconee County Delinquent Tax Collector, and their successors, agents, employees, servants, members, managers, the County Administrator, officers, representatives, insurers, attorneys and assigns (hereinafter collectively referred to as "Oconee County"), of and from any and all claims, demands, causes of action, and suits, for actual, general, special, punitive, and statutory damages, costs, attorneys' fees, reputational damages, or any other loss or injury whatsoever, asserted or unasserted and known or unknown, whether foreseen or unforeseen, in law or equity, whether in tort or by statute, of any kind or character from the beginning of time to the present, which Defendants have or could have asserted against Oconee County in the Above-Captioned Case, and all other past, present, and future claims asserted or that could be asserted by Defendants against Oconee County in connection with, or

that are in any way related to, any of the facts, acts, events, representations, omissions, and/or transactions alleged in the Above-Captioned Case (whether raised in the same or otherwise) or arising from or related to Defendants' actions as alleged in the Complaint.

c. Express Exceptions to the Release's Scope:

Notwithstanding any other provision contained herein and subject to subpart (iii) of this subparagraph, nothing in this Agreement shall be determined to release from personal liability:

 Any Oconse County Council member who voted in favor of initiating the instant Lawsuit, as reflected by the public record; and

ii. The Oconee County Auditor.

iii. But only to the extent such individuals exceeded the scope of their official capacities by prompting, furthering, or perpetuiting the Lawsuit for purposes not in furtherance of the public interest of Oconec County."

Notwithstanding any other provision contained herein, nothing in this Agreement shall be deemed to release the acts or omissions of the following individuals: Reg Dexter, Kenneth Nix, Paul Corbeil, Joel Thrift ("Non-released Parties"). To the extent Defendants possess claims against the Non-released Parties, they shall remain un-impacted by this Agreement.

Notwithstanding any other provision contained herein, nothing in this Agreement shall be deemed to release Plaintiffs' responsibilities and obligations as stated in that certain Hanger Agreement, executed by the Parties on or about June of 2001 and attached hereto as Exhibit A. Defendants' rights, as set forth in the Hanger Agreement, are expressly excepted from this Agreement and remain in full force and effect. All rights Defendants may possess in relation to the Hanger Agreement, whether sounding in contract or in equity, shall remain un-impacted by this Agreement.

6. Revision of the Hanger Agreement:

Plaintiffs and Defendants acknowledge, agree, and stipulate the Hanger Agreement should be revised, updated, and clarified as soon as practicable after the final execution of this Agreement. In connection with the ultimate revision of the Hanger Agreement, the Parties agree and acknowledge the Hanger Agreement shall be extended beyond its original expiration date for a period of ten (10) years. Such amendment of the Hanger Agreement (i.e., the extension of its term by ten (10) years) is effective immediately upon the final execution of this Settlement and Release Agreement and is not subject to any later revisions or amendments the Parties may agree upon. The instant amendment to the Hanger Agreement shall be incorporated into the revised version of the Hanger Agreement which shall follow this Agreement. However, upon execution of this Agreement, the Hanger Agreement shall be deemed as having been hereby amended in this regard.

7. Non-Disparagement:

The Parties to this Settlement Agreement & Release agree not to disparage or defame the other (together with its past or present affiliates, insurers and assigns) or make any derogatory remarks, whether written or oral, regarding the other Party as relating to the subject matter of this litigation.

8. No Admission of Liability:

It is understood and agreed that this Agreement is in full compromise of doubtful and disputed claims. Neither the Agreement, nor the consideration stated herein, shall be construed as an admission of liability, such being denied, by Defendants.

8. Additional Provisions:

a. Effective upon Plaintiffs' Signature:

This Agreement shall be deemed effective upon the date that Plaintiffs or a representative of Plaintiffs signs the agreement. The Parties hereby declare that they have read this agreement in its entirety, that they fully understand all of the provisions, terms, covenants, and conditions set forth herein, that they freely and voluntarily accept the same for the purpose of making a full and final settlement of all of the matters hereinabove set forth that they (or their attorney) participated in the drafting of this agreement, and accordingly, the rule of construction to the effect that any ambiguities are to be resolved against the drafting party or parties shall not be employed in the interpretation of this Agreement.

b. Severability:

Each provision of this Agreement is intended to be severable. If any term or provision is held to be invalid, void, or unenforceable by a court of competent jurisdiction for any reason whatsoever, such ruling shall not affect the validity of the remainder of this agreement.

c. Complete and Final Agreement between Plaintiffs and Defendants:

This Agreement contains all of the agreements, conditions, promises, and covenants between Plaintiffs and the Defendants with respect to the subject matter hereof, and supersedes all prior or contemporaneous agreements, representations, or understandings with respect to the subject matter hereof. This Agreement may not be orally amended, modified, superseded or canceled it being specifically understood that any of the terms, covenants, representations, and conditions hereof may be amended only by written instrument executed by Plaintiffs and Defendants.

d. Contract Is Valid, Binding, and Governed by South Carolina Law:

Plaintiffs and Defendants further agree that the terms of this Agreement are contractual in nature and are not a mere recital, and that the validity, affect, and enforcement of this Agreement

shall be interpreted in accordance with the laws of the State of South Carolina. This Agreement shall be binding upon and inure to the benefit and detriment of all Parties and their successors.

e. Enforcement:

Should any party to this Agreement reasonably retain counsel for the purpose of enforcing any provision of this Agreement, or for pursuing damages or injunctive relief for any claim arising out of this Agreement, the prevailing party shall be entitled to its reasonable costs and attorneys' fees, including reasonable costs and attorneys' fees incurred in enforcing any judgment or order.

f. Execution in Counterparts:

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together constitute one and the same instrument and Agreement. Signatures transmitted electronically shall for all purposes be deemed originals and shall bind the parties delivering such signatures.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed intending to be bound thereby.

[SIGNATURES ON FOLLOWING PAGE]

Dated:	Authorized Signatory for Hangar, III, LLC
Dated:	Authorized Signatory for 25 EP Corp.
Dated:	Authorized Signatory for BDS
Dated:	Jerry Edwards
Dated:	Steve Edwards
Dated:	Oconee County As Authorized Signatory for Oconee County
Dated:	Kevin Robinson Oconee County Delinquent Tax Collector

Litigation Concerns

Factual Allegations

In or about 2001 a document entitled "Lease Agreement" was executed by Oconee County regarding property owned by Oconee County at Oconee County airport. This agreement was between Oconee County and the defendants who are private individuals. State law S.C. Code Ann. 4-9-130 provides that all conveyances including transfers or leases of county owned real property must be made in accordance with this code. The code provides in part that a public hearing after reasonable public notice must be held before final Council action is taken. This procedure would be done by a County ordinance which would require a first, second, public hearing and third and final reading. Based upon the public record of Oconee County the provisions of this code were not met.

Furthermore, as part of the agreement, Oconee County was to pay all costs associated with the grading for the hangar including meeting storm water retention standards, access from the airport road, fencing, security gates, and paved access to the taxiway. Taxpayers footed the bill for this work completed under an illegal agreement.

The agreement also provided that three airplanes belonging to the lessee (BDS) shall be based at Oconee County airport and be subject to property tax in Oconee County for at least the first two years of this lease agreement. Defendants have argued that taxes for subsequent years do not have to be paid. There is no statement in the agreement supporting no taxes being paid. There is no tax forgiveness provision in paragraph 8 of the Lease Agreement. In fact, the Lease Agreement affirmatively states that taxes WILL be paid on airplanes for at least two (2) years. In addition, it is not within the statutory or legal power of the Council to forgive or waive property taxes of this kind.

Defendants also have stated that no tax is due to Oconee County because the aircraft in question is registered in the state of Delaware. The SC State Attorney General has stated on at least three occasions that the question of taxation is not based upon where the plane is registered but upon situs (the location where the plane is housed). Based upon situs the Oconee County auditor's office has issued on an annual basis since 2006 the following regarding taxes due on the airplane based at Oconee County airport.

- 1. An aircraft tax return that is due back to the Oconee County Auditor's office by April 30 of each year.
- 2. A follow-up request for the aircraft tax return; and
- 3. Annual tax notice plus 10% penalty on the value of the aircraft by October 1 of each year.

Since 2009, the Oconee County Auditor's Office has sent a follow-up request for the aircraft tax return by certified mail on an annual basis. No aircraft tax returns were ever filed for this airplane.

In November 2012 Oconee County council were notified by the county auditor that there were ten Oconee County based airplanes with delinquent taxes. Council by a unanimous vote notified the county administrator to follow procedures to collect these taxes. Since that time, all but one owner of the airplanes with delinquent taxes paid or cleared out their tax obligations owed to Oconee County. The one airplane for which taxes were not paid was the defendants. Since December 31, 2012 taxes were added for the tax years 2012 and 2013. The total tax due on this plane from 2006 through 2013 is \$315,675.00 which includes taxes, penalties and costs.

On January 16, 2013 and May 1, 2013 the defendants were notified that if the taxes were not paid that a lien would be filed with the Federal Aviation Administration. Several days before the tax lien was to be placed on the airplane the defendants removed the plane from Oconee County.

Also, the defendants claim that the above mentioned agreement was a fee in lieu of. This was never mentioned or stated from 2001 through 2014. It then was mentioned in the *Journal*, a paper owned, published and edited by one of the defendants. There are no legal attributes within the agreement that could be in any way, shape or form associated with a fee in lieu of. Calling it that is a lie; calling it that is purposely done to mislead the public.

Attempts to Reach a Settlement Agreement

Since January 2014 a new majority on County Council has been of the opinion that reaching an agreement outside of court is the proper course of

action. To this extent instructions were given to the administrator and the attorney representing Oconee County on this case. There has been a back and forth attempt at a settlement agreement. On numerous occasions this Council has changed or amended some of the provisions of consideration in the settlement agreement. On April 7, 2015 Council by a unanimous vote instructed the Administrator to proceed with yet another settlement offer. At no time have the defendants wavered from their original demands. The latest attempt was made on Tuesday, May 5 2015 and was voted on by this Council on a 3-2 vote to withdraw the case from the docket temporarily. It is amazing that within 24 hours a special council meeting has been called to again go over the settlement agreement. To my knowledge only several council members were notified beforehand that this special meeting was going to be called. The Council members not notified beforehand were not given a reason why this special meeting was called just twenty-four hours after Council had made a decision.

I am concerned that there has been communication between the defendants and several members of County Council. In fact, on April 7, 2015 an email was sent by one of the defendants to the county administrator, Scott Moulder. The subject of this email was redline version and final version of settlement agreement. The content of the email reads as follows," Scott, Paul asked me to send you a copy of the agreement (Redline and Final) that has been agreed upon. I know that Joel and Reg will not vote for this but they do need to be given a copy to read before tonight's meeting. If you would send it to them I would appreciate it."

It appears that an agreement had been reached by a majority of council outside of a council meeting. The defendant's final agreement is NOT a win-win situation as reported in the Journal on Thursday, May 7, 2015. In fact here are just a few of the provisions:

1. Oconee County will not seek the back taxes. This is a violation of the Constitution of the State of South Carolina which in part expressly states that on the issue of taxation all citizens are to be treated fairly and equitably. No governmental body has the right to exempt individuals from paying taxes. Also, under statutory law, no state statute gives local government the ability to exempt individuals from taxes; everyone must be treated equally.

- 2. Oconee County will pay the defendants' legal fees in the amount of \$35,000.
- 3. Under this agreement the defendants retain their right for future litigation but the plaintiff, Oconee County, forfeits that right.
- 4. Upon final execution of this settlement the county agrees to extend the hangar agreement beyond its original expiration date for a period of ten years. At this point this would simply be a renewal of an already illegal agreement.

In closing, if this council takes action on the settlement agreement as presented by the defendant, which has elements that are constitutionally illegal and under state statues also illegal, then they are taking morally, ethically and legally wrong action.

Respectfully submitted,

Reg Dexter

Frank. Scott Moulder smoulder-stockies a conf.

Subject: FW: Audine version and final version of sattlement agreement

Total April 7, 2015, 12:11 PM

To The Non-Joel F. Thirth part Painth untreasurement. Council Oistnet 4 district Herentheese good, Council District 9.

diamont contesso com

T. Scott Moulder County Administrator Coonee County 415 S. Pine Street Walhalla, SC 29691 (864) 638-4246

From: Jerry Edwards [mailto jerry@edwards-oroug cent]

Sent Tuesday, April 07, 2015 12:08 PM

To: Scott Moulder

Bubject: Regime version and final version of settlement agreement

Scott, Paul asked me to send you a copy of the agreement (Redline and Final) that has been agreed upon. I know that well and Reg will not vote for this but they do need to be given a copy to read before tonight's meeting. If you would send it to them I would appreciate it.

Jerry Edwards
Edwards Group
125 Eagles Nest Drive
Senecs SC 29878
864-882-3272- office
864-710-6994- Coll

Lerry®edwards-group consenality Jerry®edwards-group com>





Joel R Thrift

From: Council District 4 < district 4 @oconcesc.comp

Sent: Priday, May 08, 2015 9:50 AM
To: jock@thrifthardware.com
Subject: FW: Agreement as instructed

Attachments: image001.gif, ATT00001.htm; 5.7.15 Settlement Agreement - redting following

instructions re-council mtg-dack; ATTC0002.htm

From: Scott Moulder

Sent: Thursday, May 07, 2015 7:40 PM

To: Council District 1; Council District 2; Council District 5; Council District 3; Council District 4

Subject: Fwd: Agreement as instructed

I asked Randy to use Jerrys agreement and try to provide some protection for the County. This is much further from what Randy claims he and Lane originally proposed. Based on a request we tried to provide another option closer to Jerrys Wishes. Consider this as information and a draft that Council can choose to compare with the other agreements. Jerry and his attorney have been given this document for review and I expect some feedback prior to the meeting tomorrow. Sorry I was late getting it to you but I just got off the basebal field coaching little league. See you tomorrow.

Sent from my Phone:

Begin forwarded message;

From: Randy Moody < moody@roecassidy.com >

Date: May 7, 2015 at 4:54:56 PM EDT

To: Scott Moulder < smoulder@oconeesc.com>
Co: Ellen Griffin < egriffin@ccecassidy.com>
Subject: Agreement as instructed

Mr. Moulder-

I have followed the instructions the best I can while trying to protect my client. Not to be a broken record, but Council will proceed against my advice with this Agreement. There are way too many give-aways considering the liability that we have for the Defendants. I have, nonetheless, followed the instructions and attempted to protect the County in the face of every proviso that they throw at us. Very strange to have the other side dictare the terms while we will withdraw and surrender from a strong case against them.

Anyway, I remain concerned about the fiduciary liability of the County for throwing select individuals who were protecting the interests of taxpayers to the wolves. I added the language that was forced upon us. I added a short clause to indicate, as well as protect the County, that we maintain that all actions were taken in their official capacity and that there were not individual acts. That language I think is essential to protect Oconee County if we have to include an individual exception as I was instructed vesterday.

We also have issues with his hangar agreement language. Just cannot do what he wants under the state law. We have preserved our original language.

This was quick as requested and not much thinking time for the negatives. Consider this a draft.

To the extent it was possible—I tried to use their language as a showing of good faith to get this done.

Blessings,

Randy

D. Randle Moody II, Esquire email <u>Rmoody@roecassidv.com</u> direct 864-349-2615



Re: Airport litigation

- 1. I wish to state that this is a business and professional decision based on the facts. This is not a personal attack on any company or individual. This was strictly an equity issue. Paca Mof good. Para Mof
- 2. Council does not have the authority to reduce or waive taxes.
- 3. The auditor may reduce billed taxes with sufficient justification.
- A taxpayer has every right to appeal taxes to the board of tax appeals. Not appealed.
- 5. If appealed, either party may appeal ruling to an administrative law judge.
- If council/staff/attorneys and taxpayer were to reach a proposed settlement finalization would require receiving a declaratory judgment from court.
- Absent of proposed settlement, council's only alternative would be a lawsuit.
- Property lease agreement in the amount of .05 cents/sq ft with an increase to double in 10 years to .10 cents is not in the best interest to the citizens of Oconee County.

Stormwater utility billing for Clemson res today

SEWSWIND TO TOUCK SERVED CONTRIBUTE symbol, not only for our football program and athletics department, but for the entire Clemson University family.'

> Dan Radakovich Clemson athletic director

THE OF CALL MANAGEMENT tion that has been on the move and stays on the move."

During the meeting, held at Cismson United Methodist Church on Frontage Road, Clemson Downs executive director John LoHeup and his staff expressed appreciation for the work Smith has done as



SENATE: 'We've got a billion-dollar problem'

FROM PAGE 44

state has should become clearer when the Board of Economie Advisors meets on May 21

Some Republicans aren't happy with a bill on the Senate floor that would generate \$1300 in Hion more dollars a year for roads by raising the gas tax by 12 cents over three years and increasing fees for driver's licenses, sebicle registration among other things.

But while putting some

extra money toward roads is fine, the state must make sure if does something like raise the gas tax to make sure there is it yearly source of revenue for roads that can be depended on, said Sen, Joel

"We've got a billion-dollar problem." said Lourie, D-Columbia, "We don't want anyone to think because we are using extra money this year, we have solved the problem."

Lourie supports the proposal that Bright

plans to filibuster, which would use \$25.5 million of expected surplus money on homuses for state work-

ers. The current budget comains agrees-the board cost of living increase.

The Oconee County Council will hold a Special Called Meeting on Friday, May 8, 2015 at 1 p.m. in Council Chambers, Oconce County Administrative Offices, 415. S. Pine Street, Walhalla, SC.

C 29691 45 Years

PUBLISHER'S AFFIDAVIT

STATE OF SOUTH CAROLINA COUNTY OF OCONEE

OCONEE COUNTY COUNCIL

IN RE: OCC Special Called Meeting - May 8, 2015

BEFORE ME the undersigned, a Notary Public for the State and County above named, This day personally came before me, Hal Welch, who being first duly sworn according to law, says that he is the General Manager of **THE JOURNAL**, a newspaper published Tuesday through Saturday in Seneca, SC and distributed in **Oconee County**, **Pickens County** and the Pendleton area of **Anderson County** and the notice (of which the annexed is a true copy) was inserted in said papers on <u>05/07/2015</u> and the rate charged therefore is not in excess of the regular rates charged private individuals for similar insertions.

Hal Welch General Manager

Subscribed and sworn to before me this 05/07/2015

Jennifer A. White

State of South Carolina

My Commission Expires July 1, 2024

JENNIFER A WHITE NOTARY PUBLIC State of South Carolina My Commission Expires July 1, 2024

Beth Hulse

From: Beth Hulse

Seat: Thursday, May 07, 2015 8:53 AM

To: Carlos Galarza, Chad Dorsett, DIM News Editor, Fox News: Greenville News

(localnews@greenvillenews.com); Kevin; Norman Cannada (ncannada@upstatetoday.com); Ray Chandler, Steven Bradley (sbradley@upstatetoday.com); Westminster News / Kedwee Courier

(westnews@bellsouth.net); WGOG (dickmangrum@wgog.com); WSPA TV - Channel 7

(assignmentdesk@wspa.com); WYFF 4 News

Subject: TIME CHANGE: REEASE NOTE: Special Called County Council meeting.

Attachments: 050815 - AGENDA - special called.pdf

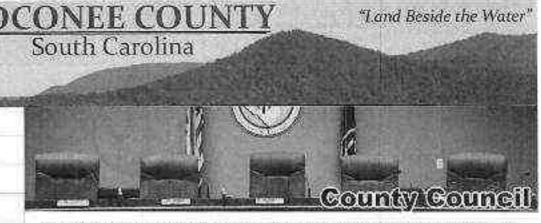
The Oconee County Council will hold a Special Called Meeting on Friday, May 8, 2015 at 5:30 p.m. has been rescheduled to 1:00 p.m. in Council Chambers, Oconee County Administrative Offices, 415. S. Pine Street, Walhalla, SC.

Elizabeth G. Hulse, CCC

Clerk to Council
Oconce County Administrative Offices
415 South Pine Street
Walhalla, SC 29691
864-718-1023
864-718-1024 [fax]
bhulse@oconcesc.com
www.oconcesc.com/council

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Lugar Home - Webman



- **County Section**: Officeds + Information + County Agentias & Mistings + Committee Agenday & Missiles + Golds of Ordinances + County Archive Agenday - County Archive - County - Coun

Oconee County Council

CORRECTION: The Occure County Council will hold a Special Colled Meeting

Friday, May S. 2015 at 1200 p.m. in Council Chambers of the Oconee County Administrative Offices, 415 S. Pine Street, Walhallia, SC , 29691

Oconee County Council is seeking interested citizens wishing to serve on council appointed Boards or Commissions.

wishing to serve on council appointed Boards or Commissions.

Questionnolitis and required for all interested applicants and can be obtained.

on the Council Website (www.acqueesc.com), at the County effices or from the Clerk to Countil [bhulseSourcest.com or 864-718-1023].

Council will actively begin appointments and/or reoppointments for District T and District III seats along with some At Large Seats

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Click here to view the 2015 STRATEGIC PLANNING RETREAT REPORT

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Council Meetings are held on the 1st and the 3rd Tuesday of the month at 6:00 p.m. lexisteding July and August which will need only on the third Tuesday of the month) in the County Council Chambers located at \$\mu_0\$ South Pine Street, Walhaila, S.C. [unless otherwise advertised].

At each regularly scheduled Council meeting there will be a Public Comment Session [beginning at 6:00 p.m.] which is limited to a maximum of forty (40) minutes with four (4) minutes allocated per person. If you wish to speak during the Public Comment Session you may do so by placing your name on the sign up sheet in Council Chambers prior to the meeting.

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Everyone aporking before Council should do as in a civil manner. Council will not tolerate

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County Council

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Gconee County's Mission

It is the mission of Oconee County to provide our current and future citizens and visitors quality services, while protecting our communities, heritage, environment and natural resources, in an everchanging world.

Oconee County's

Vision
A divisio, graving, safe, sabrant community guided by rural traditions and shaped by natural beneaty, where employment, education end recreation offer a rich quality of life-for oll generations, both today and tomorrow.

personal attacks on individual council members, county staff or any person or group. Racial slare will not be permitted. All citizens addressing Council and all Boards and Commission appointed by Council about do so at the appropriate time as noted on their agendas and in an appropriate manner.



South Carolina Association of Counties

Friday Report

Click Here to view the current and past Friday Reports prepared weekly by the Association regarding pending issues before the state legislature.

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CLICK HERE to read the article and see the beautiful photographs!

Interested Candidates Wishing To Serve on an Oconec County Board and/or Commission





T. Scott Moulder Administrator

Oconee County
Administrative Offices
115 South Pine Street
Walhaliz, SC, 29691

Phone: 864 718 1028 Fax: 854 718 1024

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E-med: phuse@osonersc.com

Paul Corpes Vice Charman District I

Wayne McCall
District II

Archic Sarron District III

> Joel Thrit District IV Charman

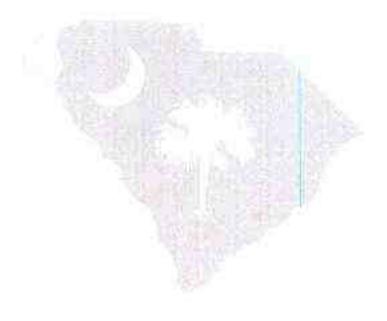
Reginald T. Dexter, District V.



.....LEGAL AD......

PLEASE ADVERTISE IN THE NEXT ISSUE OF YOUR NEWSPAPER

The Oconce County Council will hold a Special Called Meeting on Friday, May 8, 2015 at 5:30 p.m. in Council Chambers, Oconce County Administrative Offices, 415, S. Pine Street, Wulhalla, SC.



Beth Hulse

From:

Beth Hulse

Sent:

Wednesday, May 06, 2015 4:20 PM

To:

Beth Hulse; classadmgr@upstatetoday.com

Subject:

Special Called Meeteing 5/8/15

Attachments:

050615 - special called 5-8-15.doc

Need this run Thursday 5/7 or today if you can jam in please Thanks.

Elizabeth G. Hulse, CCC

Clerk to Council
Oconee County Administrative Offices
415 South Pine Street
Walhalla, SC 29691
864-718-1023
864-718-1024 [fax]
bhulse@oconeesc.com
www.oconeesc.com/council

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From:

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Sent:

Wednesday, May 06, 2015 4:21 PM

To:

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(westnews@bellsouth.net); WGOG (dickmangrum@wgog.com); WSPA TV - Channel 7

(assignmentdesk@wspa.com); WYFF 4 News

Subject:

Special Called County Council meeting

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OCONEE COUNTY "Land Beside the Water" South Carolina

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County Conneil Elizabeth G. Hulse, CCC Clerk to Council Order County Statements office: 143 South Research Veneta, SC 2004 | 86 [-268-62] Sha 718-4634 [Bar]

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House 8 10 jun-500 pm Monday finough friday

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# Oconee County Council

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